

John Espinola Executive Vice President

October 9, 2015

Ms. Victoria Wachino, Director Center for Medicaid and CHIP Services Centers for Medicare and Medicaid Services 200 Independence Ave SW Washington, DC 20201

Re: Washington State Medicaid Transformation Waiver Application Dated August 24, 2015

Dear Ms. Wachino:

I am writing you on behalf of Premera Blue Cross to express our support for the Washington State Medicaid Transformation Waiver Application ("Transformation Waiver") described above. We urge you to approve this innovative and comprehensive waiver application, a critical element in Washington State's quest to deliver higher quality, more comprehensive care to Washington Medicaid recipients. Washington State has long been a leader in driving innovation in the delivery and financing of healthcare. The Transformation Waiver will allow our state to continue this tradition with our Medicaid population. This will be achieved through the triple aims of the plan:

- Building healthier communities
- Focusing on the whole person; most significantly through truly integrated behavioral health
- Improving how we pay for care through quality and outcomes-based payment systems

The plan described in the application has an impressive array of strategies and tools to assist in achieving these critical goals.

While we are not presently a Medicaid carrier, we are the largest provider of subsidized commercial health coverage through the Washington Healthplanfinder. Our experience with this market has impressed upon us the importance of continued Medicaid innovation and its potential impact on the overall health and wellness of a population that continually migrates between commercial and Medicaid coverage. Higher quality and more comprehensive and cost-effective health and wellness of any population benefits every population and will help drive innovation across the entire health care marketplace.

Premera is committed to continuing its engagement with the HCA on its innovation planning for our state through an array of programs, of which the Transformation Waiver is a critical component.

In closing, we want to again urge you to approve the Transformation Waiver and set Washington on its way to even greater health care innovation. Thank you.

Very truly yours,

John Espinola, M.D.

Executive Vice President, Health Care Services

JE/dgw